



POLICY AND ADMINISTRATIVE PROCEDURES

Manual of Policies and Procedures

Title

RECREATION FUND ADMINISTRATION

Legal References (includes but is not limited to)	Related Policies/Procedures (includes but is not limited to)	Other References (includes but is not limited to)
IC 4-24-6-1, <i>et seq.</i> ; 5-13-6-1 <i>et seq.</i> 11-8-2-5(a)(8); 11-8-2-5(a)(9)	01-03-105 02-01-108 04-01-104	ACA: CO: 2-CO-1B-13; 2-CO- 1B-14 ACI: 4-4044 JTS: 1B-01; 1B-07; 1B-18

I. PURPOSE:

This policy and its administrative procedures present guidelines for the establishment, management and administration of the Inmate Recreation Funds.

II. POLICY STATEMENT:

The Department of Correction shall establish and maintain an Inmate Recreation Fund for each facility. Disbursements from the fund shall be used for the benefit of all offenders, provided the item or service has not been appropriated by the General Assembly. Money may accrue to an Inmate Recreation Fund from the following sources:

- A. Gifts to the fund;
- B. Profits or commissions from a commissary or canteen operation;
- C. Interest earned by deposit of trust funds in public depositories or income derived from trust funds invested in United States government securities;
- D. Sale of items produced in occupational therapy;
- E. Income derived from any kind of benefit entertainment for confined offenders;
- F. Any other money derived from any source that is not legally prohibited;
- G. Any money derived from the income of any trust fund which has been deposited in any special fund of the facility; and,
- H. Any money seized as prohibited property.

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The Department is to utilize Inmate Recreation Funds to the greatest extent possible, consistent with statute. Use of the Inmate Recreation Funds may include, but is not limited to, the following:

- A. Purchase and maintenance of recreational equipment (e.g. swimming pools, billiard tables, weight lifting machines)
- B. Enhancement of the physical plant for leisure time activities including visitation, television viewing and reading (e.g. carpeting, soundproof ceiling, and curtains).
- C. Purchase of chairs, tables, bookracks and other materials and furnishings for recreational and leisure time activities.
- D. Procurement of contractual services for staff supervision in order to expand recreation hours of operation.

The Department shall establish and maintain a system of accurate accounting for all receipts and disbursements from the fund and a system of review to ensure compliance with all applicable statutes, promulgated rules and administrative procedures.

Monies in the Inmate Recreation Fund may be invested in interest bearing accounts at federally insured depositories or in United States government securities, provided all interest earned remains in the Inmate Recreation Fund. The Commissioner or designee is to utilize discretion, to the greatest extent possible consistent with statute, to authorize the transfer of Recreation Funds, from one facility to another, to maximize cost savings to the General Fund.

III. DEFINITIONS:

For the purpose of this policy and its administrative procedures, the following definitions are presented:

- A. **BUSINESS ADMINISTRATOR (ACCOUNTANT 1):** The staff person directly responsible for the supervision and management of all purchasing, bookkeeping and accounting services of a facility.
- B. **DIRECT BENEFIT:** A service, supply or piece of equipment which provides offenders with an opportunity to enjoy leisure time activities or pursue educational goals.

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- C. INMATE TRUST FUND: The fund established by IC 4-24-6-2 which holds the funds deposited for the use and benefit of an offender and in which all deposits, credits and disbursements are recorded.
- D. RECREATION FUND: The fund established by IC 4-24-6-6 which is to be used for the direct benefit of offenders.

IV. ESTABLISHMENT OF RECREATION FUND:

In accordance with IC 4-24-6-6, each facility shall establish a Recreation Fund to be used at the discretion of the Facility Head, subject to the approval of the Commissioner or designee, for the direct benefit of the offenders at that facility.

The Recreation Fund shall not be used for any purchase in which state appropriations have been approved. The Recreation Fund for the Work Release Centers shall be established and maintained in the Department's Central Office. Sub-accounts shall be developed in the Work Release Recreation Fund for each Work Release Center, including private bed work release providers.

The facilities may establish sub-accounts in the facility Recreation Fund for specific purposes. Any such sub-accounts must be approved by the Chief Executive Officer for Finance and Performance before funds are placed in that sub-account.

The Recreation Fund shall be placed in federally-insured depositories. Each facility may invest Recreation Fund monies in an interest bearing account of an authorized federally-insured financial institution or in United States Government Securities until such time as the monies are expended for authorized purchases with the approval of the Chief Executive Officer for Finance and Performance. All interest derived from the interest bearing accounts shall revert to the Recreation Fund.

V. SOURCES OF FUNDS:

Funds may accrue to the Recreation Fund from the following sources:

- A. Gifts to the Recreation Fund;
- B. Profits from the operation of a facility's commissary activities or vending machine contracts;
- C. Interest earned by the deposit of the Inmate Trust Fund in public depositories or income derived from the Trust Fund invested in United States Government Securities;

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- D. Interest earned by the deposit of the Recreation Fund in public depositories;
- E. Money confiscated from offenders; and,
- F. Transfers from other Recreation Funds, pursuant to IC 4-24-6-11

VI. AUTHORIZED USE OF FUNDS:

The Recreation Fund shall be expended for the direct benefit of the offenders in the facility or to assist in the rehabilitation of the offenders in the facility. An example of a direct benefit to the offenders would be the purchase of a computer for recreational or educational use by offenders and the preparation of the room in which the computer is located. Expenditures may include, but are not limited to, the following:

- A. Radio and television equipment;
- B. Recreational supplies, Christmas packages and Christmas cards;
- C. Hobby shop supplies and equipment;
- D. Rental of motion pictures or purchase of cable or satellite television/radio programming;
- E. Books, magazines and periodicals for the educational and recreational libraries of such facilities;
- F. Musical instruments, instructions and sheet music;
- G. Officiating at recreational and athletic events;
- H. Special foods for parties and celebrations;
- I. Transfers to other facility Recreation Funds, pursuant to 4-24-6-11;
- J. Swimming pool cleaning and preventive maintenance;
- K. Payment for professional service contracts to expand ordinary recreation hours to enhance a recreational program;
- L. Purchase of equipment for leisure time activities, including desks and chairs for visiting rooms;
- M. Educational materials; and,
- N. Purchase of materials, supplies and equipment for the operation of a Law Library in the facility and the payment of copying and mailing costs for legal materials in accordance with Department administrative procedures.

VII. PURCHASES:

Purchases of items using the Recreation Fund shall be at the discretion of the Facility Head or designee based upon the authorized use of Recreation Funds as indicated in Procedure VI.

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Purchases from the Recreation Fund are not to be processed through the Department of Administration. All purchases using the Recreation Fund shall be documented on State Form 45029, REQUEST FOR RECREATION FUND PURCHASE. (ATTACHMENT I)

Purchases under \$500.00 may be made without soliciting competitive bids so that facilities may make minor purchases from local suppliers and reduce administrative costs.

All purchases costing more than \$500.00, but less than \$ 2,500.00, shall be made by soliciting three (3) quotations from vendors. As a method of soliciting competitive pricing, contacting at least three (3) bidders by telephone or electronic mail and requesting price quotes is acceptable. The company names, price quotes received, date of the conversation or e-mail, persons contacted and the basis for recommending /making an award are to be documented on State Form 45029. The only exception of this procedure shall be the purchase of legal reference books/materials and appropriate supplements. This exception is noted because the price of legal reference books/materials and supplements is determined on a case by case basis, as the reference material is published.

Any purchases ranging from \$ 2,500.00 to \$ 5,000.00 shall follow the same procedures as for those purchases between \$ 500.00 and \$ 2,500.00. In addition, the awarded vendor must complete a solicitation package as required by the Indiana Department of Administration when soliciting written quotations.

Any purchases exceeding \$ 5,000.00 shall require the completion of the REQUEST FOR QUOTE form and the standard Indiana Department of Administration solicitation package as the instrument for soliciting competitive price quotes from all vendors. The evaluation of the bids and award recommendation shall be documented on State Form 45029. Any purchase exceeding \$5,000.00 shall be forwarded to the Chief Executive Officer for Finance and Performance for approval prior to purchase. The completed State Form 45029 and the quotations received shall be used as the documentation necessary for the Chief Executive Officer to make a decision on the award.

Equipment purchases in excess of \$2,500 shall be forwarded to the Chief Executive Officer for Finance and Performance. The Chief Executive Officer shall review the material to ensure competition has been sought and the spirit of the procurement law has been achieved. Bids are not to be artificially broken down to usurp or avoid the intent of this administrative procedure.

Whenever possible, items should be purchased from established Quantity Purchase Awards (QPA), PEN Products or other approved state providers.

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Any documents initiated or received in this process shall be maintained at the facility, until completion of an audit by the Internal Audits Division of the Department and the State Board of Accounts.

VIII. CHRISTMAS ISSUE:

Each Facility Head shall ensure that sufficient funds are available in the Recreation Fund of the facility to allow for a Christmas issue for each offender incarcerated in that facility in an equal amount. All offenders in the facility, no matter the offender's status, shall be eligible for the Christmas issue, including offenders in disciplinary segregation.

The Christmas issue may be in the form of:

- A. A three dollar (\$3.00) credit from the Recreation Fund of the facility to each offender's individual Inmate Trust Fund account; or,
- B. An amount of candies, nuts and/or fruits equal to three dollars (\$3.00) given to each offender of the facility which is purchased with funds from the Recreation Fund of the facility.

The type of Christmas issue shall be at the discretion of the Facility Head with consideration of the funds available in the Recreation Fund of the facility.

The type of Christmas issue shall be subject to the approval of a Regional Director/Operations.

VII. ACCOUNTING FOR RECREATION FUND:

The accounting of the Recreation Fund shall be maintained in such a manner as to meet all appropriate accounting procedures established by the State Board of Accounts and these administrative procedures. All receipts and disbursements of funds shall be accounted for and recorded on the forms and records prescribed by the State Board of Accounts.

The Business Administrator or designee shall complete State Form 16916, RECREATION FUND BALANCE SHEET, monthly. (ATTACHMENT II) Copies of this report shall be forwarded to the Facility Head and the Chief Executive Officer for Finance and Performance, by the tenth (10th) day of the following month. A copy of the bank statement shall be attached to each report.

Records of Recreation Funds transactions shall be maintained in accordance with Policy 00-04-102, "The Establishment, Distribution, Maintenance, Review and Disposition of Administrative Records." Recreation Fund fiscal records shall be

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filed and maintained at the facility in accordance with established records retention schedules and until an audit is completed by the Internal Audit Division of the Department and the State Board of Accounts and all outstanding charges settled.

VIII. AUDIT OF FUNDS:

The Recreation Fund shall be subject to periodic audits by the Division of Internal Audits and the State Board of Accounts.

IX. TRANSFER OF FUNDS:

The Chief Executive Officer for Finance and Performance shall ensure the maintenance of a general ledger for all investments for the various Recreation Funds. The Chief Executive Officer shall ensure the proper accounting of all funds and shall ensure funds are available for recreation purchases throughout the Department to avoid the use of general fund revenues, consistent with statute. Cash flow shall be evaluated, as well as investments, focusing on the maximum use of the Inmate Recreation Fund.

X. APPLICABILITY:

These procedures are applicable to all facilities operated by the Department.

Signature on File

J. David Donahue
Commissioner

3/17/08

Date